

PUBLIC SERVICE COMMISSION OF WISCONSIN

Simplified Water Rate Case for the Kenosha Water Utility
Kenosha County, Wisconsin

2820-WQ-102

FINAL DECISION

Introduction

On April 7, 2015, the Kenosha Water Utility (Utility) filed an application for a water rate increase under Wis. Stat. § 196.193, a Simplified Rate Case (SRC) process that does not require a hearing. Commission staff reviewed the information submitted by the Utility in support of its application and determined the water rate increase is justified as requested.

Findings of Fact

1. The revenue increase is calculated by multiplying the Utility's prior year revenue from sales of utility service by the 2015 rate increase factor (3.0 percent) set by the Commission.
2. The revenue increase combined with the Utility's prior year net operating income results in an overall rate of return that does not exceed 5.9 percent, the Commission's 2015 established overall rate of return applicable to a municipally owned water or combined water and sewer public utility.
3. The effective date of the rate increase is not less than 12 months from the effective date of a previous SRC increase and is not less than 45 days from the date of this application.
4. The Utility's last rate increase authorized pursuant to a hearing under Wis. Stat. § 196.20 has been in effect for at least a calendar year (i.e., January through December).

5. The Utility has 4,000 or more customers and the effective date of the rate increase is not more than 5 years from the effective date of an increase authorized pursuant to a hearing under Wis. Stat. § 196.20.

6. The Utility notified all its customers of the proposed rate increase.

Conclusion of Law

1. The Commission has jurisdiction under Wis. Stat. §§ 196.02, 196.193 and 196.39, and Wis. Admin. Code ch. PSC 185.

2. The Commission has authority under Wis. Stat. § 15.02(4) to delegate to the Administrator of the Division of Water, Compliance and Consumer Affairs, those functions vested by law as enumerated above.

Order

1. The Utility shall increase its rates for general service and public fire protection uniformly by the 3.0 percent rate increase factor.

2. The new rates will be effective June 1, 2015, and will be on file with the Commission as Amendment 64, provided that the Utility makes a copy of the new rates available to the public before this date by placing a copy of the new rates at locations where customer payments are accepted, on the Utility's Internet site, or in a form and place that is otherwise readily accessible to the public. If a copy of the new rates is not made available to the public by this date, the new rates shall take effect on the date they are so made available.

3. The Utility shall inform each customer of the new rates authorized by this order.

4. The Utility's current rates and rules shall be available for public inspection.

5. The Utility shall keep on permanent file all its previous rates.

6. Jurisdiction is retained.
7. This order is effective one day after the date of service.

Dated at Madison, Wisconsin, April 20, 2015

For the Commission:

A handwritten signature in black ink, appearing to read "Jeff Stone". The signature is fluid and cursive, with the first name "Jeff" and last name "Stone" clearly distinguishable.

Jeff Stone
Division Administrator
Division of Water, Compliance, and Consumer Affairs

JAS:CNC:DL:00967063

See attached Notice of Rights

RATE FILESheet No. 1 of 1Schedule No. F-1Amendment No. 64**Public Service Commission of Wisconsin****Kenosha Water Utility****Public Fire Protection Service**

Public fire protection service shall include the use of hydrants for fire protection service only and such quantities of water as may be demanded for the purpose of extinguishing fires within the service area. This service shall also include water used for testing equipment and training personnel. For all other purposes, the metered or other rates set forth, or as may be filed with the Public Service Commission, shall apply.

Under Wis. Stat. § 196.03(3)(b), the municipality has chosen to have the utility bill the retail general service customers for public fire protection service.

Public Fire Protection Service Charges:

	<u>Monthly</u>	<u>Bimonthly</u>		<u>Monthly</u>	<u>Bimonthly</u>
5/8 - inch meter - \$	3.09	6.18	3 - inch meter - \$	12.36	24.72
3/4 - inch meter - \$	3.09	6.18	4 - inch meter - \$	15.45	30.90
1 - inch meter - \$	4.12	8.24	6 - inch meter - \$	18.54	37.08
1½ - inch meter - \$	6.18	12.36	8 - inch meter - \$	21.63	43.26
2 - inch meter - \$	9.27	18.54	10 - inch meter - \$	24.72	49.44
			12 - inch meter - \$	27.81	55.62

Customers who are provided service under Schedules Mg-1, Ug-1, or Sg-1 shall be subject to the charges in this schedule according to the size of their primary meter. Customers who are provided service under Schedule Am-1 are exempt from these charges for any additional meters.

Under Wis. Stat. § 196.03(3)(b), the city of Kenosha has elected to make the charges in this schedule applicable to non-general service customers who own developed properties containing a building or structure and that is located both within the municipal limits and in an area where the utility has an obligation to provide water for public fire protection. Each parcel shall be billed at the 5/8-inch meter rate under this schedule

Billing: Same as Schedule Mg-1.

Meter Size	Old Rate	SRC Rate
5/8 - inch meter - \$	6.00	6.18
3/4 - inch meter - \$	6.00	6.18
1 - inch meter - \$	8.00	8.24
1¼ - inch meter - \$		
1½ - inch meter - \$	12.00	12.36
2 - inch meter - \$	18.00	18.54
3 - inch meter - \$	24.00	24.72
4 - inch meter - \$	30.00	30.90
6 - inch meter - \$	36.00	37.08
8 - inch meter - \$	42.00	43.26
10 - inch meter - \$	48.00	49.44
12 - inch meter - \$	54.00	55.62

RATE FILE

Sheet No. 1 of 1

Schedule No. Mg-1

Public Service Commission of Wisconsin

Amendment No. 64

Kenosha Water Utility**General Service - Metered**

Service Charges:

	<u>Monthly</u>	<u>Bimonthly</u>		<u>Monthly</u>	<u>Bimonthly</u>
5/8 - inch meter - \$	5.05	10.10	3 - inch meter - \$	39.14	78.28
3/4 - inch meter - \$	5.05	10.10	4 - inch meter - \$	58.71	117.42
1 - inch meter - \$	9.48	18.96	6 - inch meter - \$	103.00	206.00
1½ - inch meter - \$	16.48	32.96	8 - inch meter - \$	153.47	306.94
2 - inch meter - \$	22.66	45.32	10 - inch meter - \$	216.30	432.60
			12 - inch meter - \$	280.16	560.32

Plus Volume Charges:

First	1,700	cubic feet used monthly or
	3,400	cubic feet used bimonthly- \$2.00 per 100 cubic feet
Next	23,300	cubic feet used each monthly or
	46,600	cubic feet used bimonthly- \$1.85 per 100 cubic feet
Over	25,000	cubic feet used each monthly or
	50,000	cubic feet used bimonthly - \$1.50 per 100 cubic feet

Billing: Bills for water service are rendered monthly or bimonthly and become due and payable upon issuance following the period for which service is rendered. A late payment charge of 1 percent per month will be added to bills not paid within 20 days of issuance. This late payment charge shall be applied to the total unpaid balance for utility service, including customer may be given a written notice that the bill is overdue no sooner than 20 days after the bill is issued. Unless payment of satisfactory arrangement for payment is made within the next 10 days, service may be disconnect pursuant to Wis. Admin. Code ch. PSC 185.

Combined Metering: For a residential customer with more than one meter on a single service lateral, volumetric reading from all meters shall be combined for billing. For a nonresidential customers, volumetric readings may be combined for billing if the utility for its own convenience places more than one meter on a single water service lateral. Multiple meters placed for the purpose of identifying water not discharged into the sanitary sewer are not considered for utility convenience and may not be combined for billing. This requirement does not preclude the utility from combining readings where metering configurations support such an approach. Volumetric readings from individually metered separate service laterals may not be combined for billing purposes.

RATE FILE

Sheet No. 1 of 1

Schedule No. W-1

Amendment No. 64

Public Service Commission of Wisconsin

Kenosha Water Utility

General Service - Metered

Wholesale water service to the Village of Pleasant Prairie shall be provided at the following rates:

Public Fire Protection Service

Service Charge: \$6,409.69 per

month General Service

Service Charge: See Schedule Mg-1 for charges for all meters (active and standby) Volume

Charge: \$ 1.42 per 100 cubic feet

Wholesale water service to the Village of Bristol shall be provided at the following rates:

Public Fire Protection Service

Service Charge: \$58.71 per

month General Service

Service Charge: See Schedule Mg-1 for charges for all meters (active and standby) Volume

Charge: \$ 1.44 per 100 cubic feet

Wholesale water service to the Town of Somers shall be provided at the following

rates: Public Fire Protection Service

Service Charge: \$1,891.08 per

month General Service

Service Charge: See Schedule Mg-1 for charges for all meters (active and standby)

Volume Charge: \$1.57 per 100 cubic feet

Billing: Same as Schedule Mg-1.

EFFECTIVE:	June 1, 2015
PSCW AUTHORIZATION:	2820-WQ-102